

## NEBRASKA ADMINISTRATIVE CODE

Last Issue Date: April 7, 1999

### Title 48 - DEPARTMENT OF BANKING AND FINANCE

#### Chapter 15 - INFORMATION REQUIREMENTS FOR THE SECTION 8-1111(9) NOTICE

##### 001 GENERAL.

001.01 This Rule has been promulgated pursuant to authority delegated to the Director in Section 8-1120(3) of the Securities Act of Nebraska ("Act").

001.02 The Department has determined that this Rule relating to Section 8-1111(9) is consistent with investor protection and is in the public interest.

001.03 The Director may, on a case-by-case basis, and with prior written notice to the affected persons, require adherence to additional standards or policies, as deemed necessary in the public interest.

001.04 The definitions in 48 NAC 2 shall apply to the provisions of this Rule, unless otherwise specified.

002 NOTICE FILING REQUIREMENT. The notice required by Section 8-1111(9) of the Act will be satisfied if the conditions of this Rule are met.

002.01 Such notice shall be filed with the Nebraska Department of Banking and Finance, Suite 311, The Atrium, 1200 N Street, P.O. Box 95006, Lincoln, Nebraska 68509.

002.02 Such notice shall be filed within thirty (30) days of the first sale made in reliance on this exemption.

003 CONTENTS OF NOTICE. The notice filed by a seller shall include the following information:

003.01 The name and address of the issuer and the name and address of the seller, if other than the issuer;

003.02 The names and addresses of the broker-dealer and/or any individuals representing the seller in promoting the offering;

003.03 The business in which the issuer is to be engaged;

003.04 The type of security being issued (common stock, limited partnership interests, debentures, etc.);

003.05 The total dollar amount of such securities to be offered;

003.06 The date of the first sale made in reliance on this exemption; and

003.07 A representation that all of the conditions of Section 8-1111(9) of the Act have been or will be met.

004     DISCLOSURE. Nothing in this exemption is intended to relieve, or should be construed as in any way relieving, sellers or persons acting on behalf of sellers from providing to prospective investors disclosure adequate to satisfy the provisions of Section 8-1102 of the Act.

005     INVESTMENT INTENT. The seller must have reasonable belief that the securities purchased are taken for investment. Investment intent may be manifested by, but is not limited to, a restriction which shall be stated on the face of the security that it shall be held by the purchaser until the earlier of the date the issuer of the securities becomes subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934 or one year from the date of purchase.

006     EFFECTIVENESS. A notice of exemption filed pursuant to Section 8-1111(9) of the Act shall remain effective until the earliest of the following events:

006.01 Sales to fifteen persons, other than persons designated in Section 8-1111(8), (11) and (17) of the Act, have been effected; or

006.02 One year from the date of the first sale.

007    AVAILABILITY OF EXEMPTION.

007.01 Offers and sales which are exempt under this rule may not be combined with offers and sales exempt under any other Rule or Section of the Act, except as specifically allowed in Section 8-1111(9) of the Act; however, nothing in this limitation shall act as an election. Should, for any reason, the offer and sale fail to comply with all of the conditions for this exemption, the seller may claim the availability of any other applicable exemption.

007.02 This exemption is not available to any seller with respect to any transaction which, although in technical compliance with this Rule, is part of a plan or scheme to evade registration or the conditions or limitations explicitly stated in this Rule.

008    CURE ORDERS. If the notice required by Section 8-1111(9) of the Act and this Rule is not filed within thirty (30) days of the first sale made in reliance on this exemption, the seller shall file the information required by 48 NAC 19.

009    BURDEN OF PROOF. In any proceeding involving this Rule, the burden of proving the exemption or an exception from a definition or condition is upon the person claiming it.